Special Purpose Vehicle for Infrastructure projects

12.SHRI JANARDHANA POOJARY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is proposing to float a new Special Purpose Vehicle for funding infrastructure projects;

(b) if so, the details in this regard;

(c) whether any infrastructure projects have been identified for funding by the proposed SPV; and

(d) if so, the details thereof with financial allocation made for each project and the targeted date for their completion, Statewise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir.

(b) Government has decided to set up a Special Purpose Vehicle (SPV) for providing long-term debt for infrastructure projects. The SPV will borrow money against guarantee and would lend such funds to the viable infrastructure projects. Pursuant to this decision, a scheme has been drawn-up to set up a Non-Banking Finance Company (NBFC) called India Infrastructure Finance Company Limited (IIFCL). The IIFCL will borrow money from the market on Government guarantee. The IIFCL can also raise money from organizations such as the World Bank, Asian Development Bank etc. and also from International debt markets, *i.e.* External Commercial Borrowing etc. IIFCL will then lend this money to viable infrastructure projects. The projects should be from one of the following sectors:

i. Roads and bridges, railways, sea-ports, air-ports inland waterways, other transportation projects;

ii. Power;

iii. Urban transport, water supply, sewage, solid waste management and other physical infrastructure in urban areas.

iv. Gas pipelines;

v. Infrastructure projects in Special Economic Zones; and vi. International convention centres and other tourism infrastructure projects.

(c) and (d) The SPV is in the process of being set up. So far no infrastructure projects have been submitted to the SPV for funding.

Enhancement of India-Pakistan Trade

13. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE **AND** INDUSTRY be pleased to state:

(a) whether it is a fact that India and Pakistan have agreed to enhance their cooperation in trade and commerce;

(b) whether it is also a fact that Pakistan has rejected to extend the list of importable items from India which at present stands at 70; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes Sir, India and Pakistan have set up a Joint Study Group (JSG) at the level of Commerce Secretaries for adopting a strategy for boosting trade between the two countries.

The first meeting of the JSG was held in New Delhi on February 22-23, 2005 and it had detailed discussions on promotion of trade and economic cooperation for the mutual benefit of both countries. The JSG constituted two Working/Sub-Groups, on Customs Cooperation & Trade Facilitation Measures and Non Tariff Barriers (NTBs). The Terms of Reference (TOR) for the Sub-Groups were mutually agreed upon.

(b) The present list of importable items from India (Positive List of Pakistan) consists of 771 items. During the trade talks within the Composite Dialogue held in New Delhi on August 9-10-2005, Pakistan side agreed to consider the request of Indian side to include some more items in the Positive List.

(c) Does not arise.

Production and export of tea

†14. SHRI MOTILAL VORA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the tea production during the current fiscal year till date and how does it fare with the last year;

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†Original notice of the question was received in Hindi.